



GARY R. HERBERT
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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

May 30, 2013

John S. Wilkinson
Wilkinson Construction Company, Inc.
1200 East 100 South
Morgan, Utah 84050

Subject: Reclamation Surety Required, Dugout Canyon Gravel Pit, S/047/0112, Uintah County, Utah

Dear Mr. Wilkinson:

The referenced Notice of Intention to Commence Small Mining Operations (NOI), received by the Division of Oil, Gas and Mining on April 5, 2013, is complete **with the exception of the reclamation bonding requirement**. Per our phone discussion, the NOI was amended on page 4 from a 5-acre permit to a 10-acre permit. The required reclamation surety is \$ 62,200.00. This was determined based on information in the following table.

Small Mine Operation Bond Calculation Worksheet S/047/0112 Over 5 acres 3-year escalation (2015)			
Item	Qty	Unit Cost	Total Cost
First six acres of disturbance	1	\$40,600.00	\$40,600.00
Additional acres of disturbance	4	\$5,400.00	\$21,600.00
TOTAL			\$62,200.00
5-year escalation (2017)			
Item	Qty	Unit Cost	Total Cost
First six acres of disturbance	1	\$42,000.00	\$42,000.00
Additional acres of disturbance	4	\$5,600.00	\$22,400.00
TOTAL			\$64,400.00

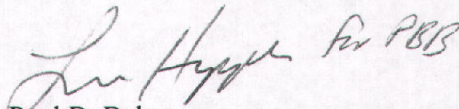
Please submit the reclamation surety and reclamation contract within the next 30 days. No mining related disturbance may be created until the surety is received and approved and you have received written acceptance from this office as well as other applicable agencies.

The reclamation surety can be submitted in one of several forms, including, an irrevocable letter of credit, a certificate of deposit, cash or a surety bond. Please contact Penny Berry at 801-538-5291 or by e mail at pennyberry@utah.gov for assistance in completing this requirement.

John Wilkinson
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Please contact April Abate at 801-538-5214 or me at 801-538-5261 if you have questions regarding this letter. In reply please refer to file number S/047/00112.

Sincerely,

A handwritten signature in dark ink, appearing to read "Paul B. Baker" with a stylized flourish at the end.

Paul B. Baker
Minerals Program Manager

PBB: aaa: eb

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